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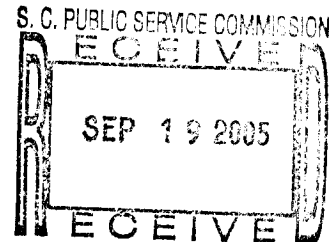
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September 15, 2005

Mr. Charles Terreni
Chief Clerk of the Commission
SC Public Service Commission
P. O. Drawer 11649
Columbia, SC 29211



RE: Joint Application of J. C. Cox Utilities, Inc. and JACABB Utilities, LLC
for Expedited Approval of a Transfer of Assets; the Transfer of Operating
Authority; and Transfer of all Sewer Services System without Limitations
Serving Forest Hills subdivision, Anderson County, South Carolina

Docket No.: 2005-43-S

Dear Mr. Terreni:

Enclosed please find twenty-six (26) copies of the **Prefiled Direct Testimony of Robert J. Ellison** filed on behalf of J. C. Cox Utilities, Inc. in the above referenced docket. By copy of this letter, I am serving all parties of record.

J I have enclosed an extra copy of this testimony which I would ask you to date stamp and return to me in the self-addressed stamped envelope enclosed for your convenience.

If you have questions or need additional information, please do not hesitate to contact me.

Sincerely,

Elliott & Elliott, P.A.

A handwritten signature in black ink, appearing to be "Scott Elliott", written over a horizontal line.

Scott Elliott

SE/mlw

Enclosures

c: All parties of record w/enc.

OK postmarked 9/15
OK D. Duke

**THE PUBLIC SERVICE COMMISSION
OF
SOUTH CAROLINA**



DOCKET No.: 2005-43-S

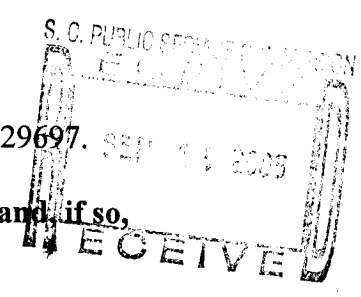
SEPTEMBER 15, 2005

**Joint Application of J. C. Cox Utility, Inc. and JACABB Utilities, LLC
for Expedited Approval of a Transfer of Assets; the Transfer of
Operating Authority; and Transfer of all Sewer Service System without
Limitations Serving Forest Hills subdivision,
Anderson County, South Carolina**

PREFILED DIRECT TESTIMONY

OF

ROBERT J. ELLISON



1 **Q. Please state your name and address.**

2 A. Robert J. Ellison, 35 Lester Road, Williamston, South Carolina 29697.

3 **Q. Mr. Ellison, are you associated with J. C. Cox Utilities, Inc. and, if so,**
4 **in what capacity?**

5 A. Yes, I am the president of J. C. Cox Utilities, Inc. and its sole shareholder.

6 **Q. Please describe the services that J. C. Cox Utilities, Inc. provides.**

7 A. J. C. Cox Utilities, Inc. provides sanitary sewer service to the thirty-three (33)
8 residents of the Forest Hills Subdivision located near the town of Williamston in
9 Anderson County, South Carolina. The wastewater treatment facility, owned and
10 operated by J. C. Cox Utilities, Inc. consists of a series of sewage collection lines
11 leading to an aerobic wastewater treatment lagoon.

12 **Q. How long have you owned J. C. Cox Utilities, Inc. and under what**
13 **circumstances did you buy the utility?**

14 A. I bought the shares of J. C. Cox Utilities, Inc. in June of 1996 from its owner,
15 J. C. Cox, Jr. At the same time, my uncle James T. Ellison and I bought
16 fifty-five (55) undeveloped lots in the Forest Hills Subdivision. At the time
17 I purchased J.C. Cox Utilities, Inc. the wastewater treatment lagoon was
18 providing sanitary sewer service to 33 homes in the Forest Hills Subdivision.
19 The wastewater treatment system in place in 1996 is essentially unchanged
20 today and there has been no development in the Forest Hills Subdivision
21 since 1996.

22 **Q. Is the wastewater treatment lagoon owned by J. C. Cox Utilities, Inc. and**

23 **operated for the Forest Hills Subdivision permitted by South Carolina**
24 **Department of Health and Environmental Control (which I will hereafter**
25 **refer to as DHEC)?**

26 A. Yes.

27 **Q. What is the status of the DHEC permit today?**

28 A. The discharge permit is held in the name of J. C. Cox, Utilities, Inc. J. C. Cox
29 Utility, Inc. is operating the sanitary sewer lagoon under its permit with DHEC
30 and pursuant to an existing consent order.

31 **Q. Has J.C. Cox Utilities, Inc. entered into a contract to transfer its wastewater**
32 **treatment facility?**

33 A. Yes. J. C. Cox Utilities, Inc. has agreed to transfer assets consisting of its
34 wastewater treatment facility to JACAAB Utilities, LLC subject to the approval
35 of the South Carolina Public Service Commission.

36 **Q. Why?**

37 A. I am a motor grader operator by trade and operate a small clearing and grading
38 company. I bought J. C. Cox Utilities, Inc. in June of 1996 as a part of a land
39 transaction in which my uncle, James T. Ellison, and I bought 55 undeveloped
40 lots in the Forest Hills Subdivision for future development. The wastewater
41 treatment facility in place in 1996 is essentially unchanged today. I have found it
42 extremely difficult and time consuming to own and operate these wastewater
43 treatment facilities. I have spent many hours repairing sewer lines myself. I do
44 not fully understand the operation, maintenance and repair of the sewer lagoon
45 and have found it equally difficult to improve and expand the wastewater

46 treatment facilities. We have been unable to develop the remaining lots in Forest
47 Hills. With the help of my wife and uncle, I determined to sell the wastewater
48 treatment facilities.

49 **Q. Who owns JACAAB Utilities, LLC?**

50 A. JACAAB Utilities, LLC is owned principally by Steve Goldie, an engineer who
51 has his own engineering firm that, among other things, operates small sanitary
52 service lagoons such as the one I propose to sell. Indeed, Goldie & Associates
53 serves as the operator of the sanitary sewer lagoon owned by J. C. Cox Utility,
54 Inc. JACAAB Utilities, Inc. through its owner, Steve Goldie, is perfectly
55 capable of operating the sanitary sewer lagoon and wastewater treatment facility
56 owned by J. C. Cox Utility, Inc, and accordingly is very familiar with the
57 wastewater treatment facilities and the necessity of improving and expanding the
58 system. In fact, part of the consideration for our transfer of the wastewater
59 treatment facility owned by J. C. Cox Utility, Inc. is that JACAAB Utilities, Inc.
60 will employ an operator such as Goldie & Associates to operate the
61 wastewater treatment facilities for the benefit of our customers.

62 **Q. Do you feel that the transfer of the wastewater treatment lagoon and the**
63 **wastewater treatment facility owned by J. C. Cox Utilities, Inc. to JACAAB**
64 **Utilities, Inc. is in the public interest?**

65 A. Yes. As I mentioned, Goldie & Associates is well qualified to operate the system
66 and I believe will have the resources necessary to improve and expand service for
67 our customers. For these reasons I believe the transfer is in the public interest.

68 **Q.** **Are you familiar with the Application filed in this proceeding and its**
69 **associated exhibits?**

70 **A.** **Yes.**

71 **Q.** **Is the information set out in the Application and the attached exhibits true**
72 **and accurate to the best of your knowledge?**

73 **A.** **Yes.**

74 **Q.** **Does that conclude your testimony?**

75 **A.** **Yes, it does.**

CERTIFICATE OF SERVICE

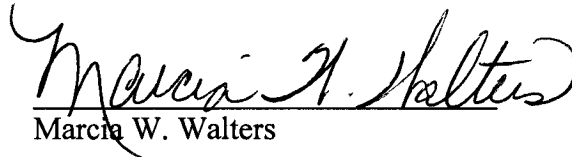
The undersigned employee of Elliott & Elliott, P.A. does hereby certify that she has served below listed parties with a copy of the Prefiled Direct Testimony of Robert J. Ellison on behalf of J. C. Cox Utilities, Inc., indicated below by mailing a copy of same to them in the United States mail, by regular mail, with sufficient postage affixed thereto and return address clearly marked on the date indicated below:

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for Expedited Approval of a Transfer of Assets; the Transfer of Operating
Authority; and Transfer of all Sewer Services System without Limitations
Serving Forest Hills subdivision, Anderson County, South Carolina

Docket No.: 2005-43-S

PARTIES SERVED: Shannon B. Hudson, Esquire
ORS
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Columbia, SC 29211

James S. Eakes, Esquire
Allen & Eakes
PO Box 1405
Anderson, SC 29622


Marcia W. Walters

September 15, 2005